



MIRROR
LAKE



Highlights

Revenue

Total Board revenues increase

Fiscal year 2004-05 revenues totaled \$49.95 billion, 7.9 percent higher than the \$46.31 billion collected in 2003-04. Sales and use tax receipts, which totaled \$38.1 billion in 2003-04, grew to \$41.5 billion, an increase of 9.0 percent.

Tax Program, District, and Rate Changes

New electronic waste recycling fee program

In January 2005, the Board implemented the fee provisions of the Electronic Waste Recycling Act of 2003 (Senate Bill 50; Stats. 2004, ch. 863). The new state law requires retailers who make retail sales, including leases, of new or refurbished televisions, computer monitors, laptop computers, or other specified video display devices, to collect the electronic waste recycling fee from consumers. For more information, see [page 44](#).

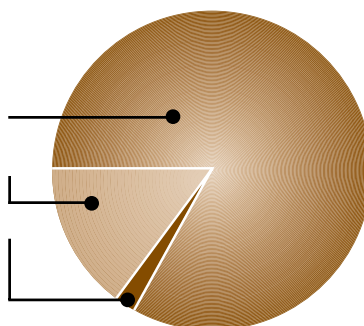
2004-05 Board Revenues

Billions of dollars

Sales and use taxes \$41.48

Other taxes and fees 7.74

Property taxes 0.74





Significant Legislation

Property tax exemption for developer's interest in on-base military housing

Senate Bill 451 (Stats. 2004, ch. 853) provides that a developer or operator's interest in government owned rental housing located on a military base is not subject to property taxation.

Tire fee and underground storage tank maintenance fee increase

Assembly Bill 923 (Stats. 2004, ch. 707) increases the California tire fee from \$1 to \$1.75 per tire effective January 1, 2005, until December 31, 2006. After that, the fee decreases to \$1.50. Beginning January 1, 2015, the fee further decreases to 75 cents per tire. In addition, a retail seller's reimbursement for any costs associated with the collection of the fee decreases from 3.0 percent to 1.5 percent, until December 31, 2014. The additional revenue is added to the state's Tire Recycling Management Fund and Air Pollution Control Fund.

Assembly Bill 1906 (Stats. 2004, ch. 774) increases the underground storage tank maintenance fee by an additional \$0.001 mill per gallon of petroleum stored, on or after January 1, 2005, and by an additional \$0.001 mill per gallon of petroleum stored, on or after January 1, 2006.

Incentives established for sales and use tax debt payment

Senate Bill 1100 (Stats. 2004, ch. 226), provided a sales and use tax amnesty program beginning on February 1, 2005 and ending on March 31, 2005. The tax revenue generated by the amnesty program was over \$500 million in 2004-05, with an additional \$100 million due by June 30, 2006. Of the total \$600 million, \$110 million represents revenue that would not have been collected without the amnesty program.

The "presumption of use" test for vehicles, vessels, and aircraft is extended from 90 days to 12 months

In addition to its amnesty provisions, Senate Bill 1100 (Stats. 2004, ch. 226), provides that if a vehicle, vessel, or aircraft purchased outside this state from October 1, 2004 through July 1, 2006, and brought into California within 12 months from the date of purchase, then it is presumed, unless there is evidence otherwise, that it is purchased for use in California. Therefore, it is subject to use tax under certain conditions.



Improving Operations

Legal assistance project will aid underrepresented taxpayers

In partnership with the Appeals Division of the Board's Legal Department, the Taxpayers' Rights Advocate launched the Pro Bono Legal Assistance Pilot Project. The project will allow low-income, underrepresented taxpayers who have filed an appeal to seek free legal assistance. An existing legal internship program at the Board will form the basis of this new program, with participation expected from law schools throughout the state.

New web-based training assists county assessment appeals board members and assessors' staffs

The Board developed a web-based training session for county assessment appeals board members to meet the statutorily mandated training requirements for newly appointed appeals board members. The Board also began work on various web-based training sessions for county assessors' staffs that will satisfy the annual training requirements for property tax auditors and appraisers.

Revenue database consolidation project completed

The Board completed the Revenue Database Consolidation project. This was a large and complex project that incorporated the special taxes and fees programs into the Board's existing integrated revenue information system. On-time and within budget, the project was one of the most successful, large-scale information technology projects implemented at the Board.

Technology staff recognized

The technology staff was recognized by the Center for Digital Government at the Best of California Award program for excellence in implementing and maintaining several major systems over a 10-year period.

A communications office is established

The Board's newly created Communications Office improved relationships with members of the media, as well as with government agencies, taxpayer groups, chambers of commerce, local leagues, and others. It also worked to enhance the quality of public information made available to the Board's taxpayers and the general public.